OPEN MEETING AGENDAITEM



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Office of the Board of Supervisors Fulton Brock District 1

December 13, 2001

The Honorable William Mundell, Chairman Arizona Corporation Commission

1200 West Washington Phoenix, Arizona 85017

Johnson Utilities Company

Arizona Utility Supply & Services Docket # SW-04002A-01-0228 Docket # WS-02987A-01-0295

Dear Commissioner Spitzer:

With this letter I officially join the Pinal County Supervisors in opposing Arizona Utility and Supply Services' application to provide waste water service in Pinal and Maricopa Counties.

The Commission's Administrative Law Judge has recommended that AUSS be awarded four sections within which to provide wastewater in northern Pinal County and has denied Johnson Utilities' request to serve twenty-three and a half sections in northern Pinal County and seven and a half sections in Maricopa County. If the Commission approves the recommended order, Maricopa County will be impacted as follows:

- The seven and a half sections in Maricopa County for which Johnson Utilities has been granted a Maricopa County franchise will not be able to be served wastewater by Johnson Utilities. Queen Creek Water Company, which provides water to this area, requested that Johnson Utilities apply for a wastewater certification to eliminate the use of septic systems to protect groundwater quality. Instead, residents in those sections will continue to be served by individual septic systems if the recommended order is accepted. Moreover, a development in these sections in Maricopa County will be hurt by the lack of a certificated wastewater service provider.
- Johnson Utilities can achieve economies of scale by being a regional wastewater service provider, which helps reduce rates to the public. To the extent that a portion of Johnson Utilities' requested service area is given to AUSS, rather than Johnson utilities, it will reduce those economies of scale in the Johnson Utilities' service area. As a result, even those residents who live in the Maricopa County portion of Johnson Utilities' service area will lose the benefits of the economies of scale.

The effect of a decision to grant AUSS's request would, I believe, encourage undesirable land uses and developments.

Again, 1 respectfully request that AUSS's request pending before the Arizona Corporation Commission be denied and the request by Johnson Utilities be granted.

Arizona Corporation Commission DOCKETED

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Sincerely

Supervisor, District One

DOCKETED BY

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